

Decision 03-06-060 June 19, 2003

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Westar Marine Services, Division of Cross Link, Inc., (VCC-72) for authorization to modify rate levels for passenger service from Pier 50 San Francisco to points on San Francisco Bay and adjoining bays and tributaries.

Application 02-06-050
(Filed June 26, 2003)

O P I N I O N

Summary

This decision grants the application of Westar Marine Services, a division of Cross Link, Inc. (Applicant), a corporation, to increase its rates pursuant to Pub. Util. Code § 454.

Discussion

Applicant is authorized to operate as a vessel common carrier (VCC-72) transporting passengers and their baggage in ship-to-shore water taxi service on San Francisco Bay. It operates five vessels with seating capacity of 26 to 49 passengers. Applicant was granted VCC authority by Resolution TL-18631, dated May 25, 1994, pursuant to Pub. Util. Code § 238(d).

Applicant's current rates have been in effect since it was first authorized to operate. The rates are published in Applicant's Local Passenger Tariff No. 1, PUC 1, on file with the Commission.

This application, as amended by letter of May 9, 2003, requests authority to increase rates an average of 20%. Applicant states it needs the higher rates to cover the increases in costs that have occurred since 1994. Figures submitted for fuel, labor, and insurance expenses show significant increases between 2001 and

2002. Applicant has seen its net income steadily decline since 1999. In 2002 it had a loss of \$53,170 on revenue of \$212,683.

The following table shows the current and proposed rates.

TABLE 1
Current and Proposed Rates

<u>Category</u>	<u>Current</u>	<u>Proposed</u>
Rates apply from departure Pier 50 and return to Pier 50. (1 hour minimum charge.)	\$250/hour	\$300/hour
Rates in excess of 1 hour charged in ¼ hour increments.	\$62.50/ ¼ hour	\$75/ ¼ hour
Holiday rates	\$375/hour	\$450/hour
Holiday rates in excess of 2 hours are charged in ¼ hour increments.	\$93.75/ ¼ hour	\$112/ ¼ hour

If the new rates go into effect July 1, 2003, Applicant projects a loss of \$17,843 in 2003 and a profit of \$31,373 in 2004.¹

Notice of filing of the application appeared in the Commission's Daily Calendar on July 5, 2002. In Resolution ALJ 176-3091 dated July 17, 2002, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3091.

¹ These projections assume business volume increases at historical levels of about 6%, and expenses (except maintenance costs) remain at 2002 levels.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Assignment of Proceeding

Richard Clark is the assigned Examiner in this proceeding.

Findings of Fact

1. The application, as amended, requests authority to increase vessel common carrier rates an average of 20%.
2. The current rates have been in effect since Applicant was authorized to operate as a VCC in 1994.
3. Applicant has experienced significant cost increases, particularly in fuel, labor, and insurance.
4. In 2002 Applicant had a loss of \$53,170 on revenue of \$212,683.
5. The requested rates under Pub. Util. Code § 454 are just and reasonable.
6. No protest to the application has been filed.
7. A public hearing is not necessary.
8. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The request to increase fares under Pub. Util. Code § 454 is justified.
2. The application, as amended by letter of May 9, 2003, should be granted.
3. Since the matter is uncontested, the decision should be effective on the date it is signed.

O R D E R

IT IS ORDERED that:

1. Westar Marine Services, a division of Cross Link, Inc. (Applicant), a corporation, is authorized to establish the increased vessel common carrier rates set forth in the application.
2. Tariffs may be filed on or after the effective date of this order. They may become effective five days or more after the effective date of this order provided that the Commission and the public are given not less than five days' notice.
3. Applicant shall inform the public of the increased rates and their effective date by posting notice on its vessels and terminals. Such notice shall be posted not later than the date the new rates take effect and shall remain posted for not less than 30 days.
4. This authority shall expire unless exercised within 90 days after the effective date of this order.
5. The Application, as amended by letter of May 9, 2003, is granted as set forth above.
6. This proceeding is closed.

This order is effective today.

Dated June 19, 2003, at San Francisco, California.

MICHAEL R. PEEVEY
President

CARL W. WOOD
LORETTA M. LYNCH
GEOFFREY F. BROWN
SUSAN P. KENNEDY
Commissioners